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March 25, 2004

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RECEIVED

MAR 25 2004

PUBLIC SERVICE
COMMISSION

Thomas M. Dorman
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

**RE: *In the Matter of: An Adjust of the Gas and Electric Rates, Terms and Conditions of Louisville Gas and Electric Company*
Case No. 2003-00433**

Dear Mr. Dorman:

We enclose for filing an original and eleven copies of the substitute proposed tariff sheets for Louisville Gas and Electric Company in the above-captioned case. These tariff sheets are being furnished in final version and in "track changes" to demonstrate the changes from the proposed tariff sheets filed with the Application at Tabs 7 and 8 of the Filing Requirements herein. As you can see, the changes correct errors, typographical and clerical, that occurred during the process of preparing the proposed tariff sheets.

The change to Original Sheet No. 20 corrects the language in the "Availability of Service" portion of the tariff sheet to provide that existing LC-TOD customers will be "grandfathered" under the proposed tariff sheet. It also corrects a typographical error in the description of the Winter Peak Period.

The change to Original Sheet No. 33 corrects the description of the peak period to provide for Summer and Winter Peak Periods. The tariff sheet filed with the Application erroneously contained the description of the peak period utilized by Kentucky Utilities Company.

The change to Original Sheet No. 85.1 deletes language that is no longer necessary and that should have been deleted from the tariff sheet filed with the Application.

Thomas M. Dorman

March 25, 2004

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We would appreciate your placing these corrected Proposed Tariff Sheets with the other papers in this proceeding. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me in the enclosed self-addressed stamped envelope.

Should you have any questions or need any additional information, please contact me at your convenience.

Very truly yours,

A handwritten signature in black ink that reads "Allyson K. Sturgeon". The signature is written in a cursive style with a long horizontal flourish at the end.

Allyson K. Sturgeon

Enclosures

cc: Parties of Record (w/ encl.)
Dorothy E. O'Brien (w/ encl.)

**ELECTRIC RATE SCHEDULE LC-TOD
Large Commercial Time-of-Day Rate**

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This schedule is available for alternating current service to customers whose monthly demand is equal to or greater than 2,000 kilowatts and whose entire lighting and power requirements are purchased under this schedule at a single service location. Customers with loads between 150 KW and 2,000 KW receiving service under this rate schedule as of February 1, 2004, will continue to be served under this rate schedule.

RATE

Customer Charge: \$90.00 per delivery point per month

Demand Charge:

Basic Demand Charge

Secondary Distribution	\$3.22 per KW per month
Primary Distribution	\$2.12 per KW per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Peak Period Demand Charge

Summer Peak Period	\$10.47 per KW per month
Winter Peak Period	\$ 7.74 per KW per month

Applicable to the highest average load in kilowatts recorded during any 15-minute interval of the peak period, as defined herein, in the monthly billing period, but not less than 50% of the maximum demand similarly determined for any of the four billing periods of June through September within the 11 preceding months.

Energy Charge 2.400¢ per KWH

SUMMER PEAK PERIOD is defined as weekdays from 10 A.M. to 9 P.M., Eastern Standard Time during the 4 billing periods of June through September.

WINTER PEAK PERIOD is defined as weekdays from 8 A.M. to 10 P.M., Eastern Standard Time, during the 8 billing periods of October through May.

PRIMARY DISTRIBUTION SERVICE

The above demand charge for primary distribution service is predicated on the customer's taking service at the applicable voltage and furnishing, installing, and maintaining complete substation structure and all equipment necessary to take service at such voltage. The nominal primary distribution voltages of Company, where available, are 2400/4160Y, 7200/12,470Y, 13,800 or 34,500.

Date of Issue: December 29, 2003

Issued By

Date Effective: February 1, 2004

**Michael S. Beer, Vice President
Louisville, Kentucky**

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ELECTRIC RATE SCHEDULE NCLS
Non-Conforming Load Service

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APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for three-phase delivery to customers with non-conforming loads up to an aggregate of two hundred (200) MVA for all customers taking service under this schedule and under the NCLS schedule of Kentucky Utilities Company. This schedule is restricted to individual customers whose monthly demand is twenty (20) MVA or greater. A customer is defined as non-conforming if that customer's load either increases or decreases twenty (20) MVA or more per minute or seventy (70) MVA or more in ten (10) minutes when such increases or decreases exceed one (1) occurrence per hour during any hour of the billing month.

Subject to the above aggregate limit of two hundred (200) MVA, this schedule is mandatory for all customers whose load is defined as non-conforming and not served on another standard rate schedule as of the effective date this rate schedule is approved by the Public Service Commission of Kentucky.

BASE RATE

	<u>Primary</u>	<u>Transmission</u>
Energy Charge of:		
Per monthly billing period	\$0.0150 per kWh	\$0.0150 per kWh
Plus a Demand Charge of:		
Per monthly billing period of		
Basic Demand Charge	\$5.79 per KVA	\$3.71 per KVA
Plus Peak Demand Charge		
Winter Peak	\$5.13 per KVA	\$5.13 per KVA
Summer Peak	\$9.69 per KVA	\$9.69 per KVA

Where the monthly billing peak demands, measured over a five (5) minute interval, are the greater of the applicable charge per KVA times:

- a) the maximum metered peak period demands in the monthly billing period,
- b) 60% of the maximum metered peak period demands in the preceding eleven (11) monthly billing periods,
- c) 60% of the contract capacity based on the expected maximum demand upon the system, or
- d) minimum may be adjusted where customer's service requires an abnormal investment in special facilities.

SUMMER PEAK PERIOD is defined as weekdays from 10 A.M. to 9 P.M., Eastern Standard Time during the 4 billing periods of June through September.

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**Michael S. Beer, Vice President
Louisville, Kentucky**

TERMS AND CONDITIONS

Residential Rate Specific Terms and Conditions

- (a) Single-phase motors may be served at 120 volts if the locked-rotor current at rated voltage does not exceed 50 amperes. Motors with locked-rotor current ratings in excess of 50 amperes must be served at 240 volts.
 - (b) Single-phase motors of new central residential cooling installations with total locked-rotor ratings of not to exceed 125 amperes (inclusive of any auxiliary motors arranged for simultaneous starting with the compressor) may be connected for across-the-line starting provided the available capacity of Company's electric distribution facilities at desired point of supply is such that, in Company's judgment, the starting of such motors will not result in excessive voltage dips and undue disturbance of lighting service and television reception of nearby electric customers. However, except with Company's express written consent, no new single-phase central residential cooling unit having a total lock-rotor rating in excess of 125 amperes inclusive of auxiliary motors arranged for simultaneous starting with the compressor) shall hereafter be connected to Company's lines, or be eligible for electric service therefrom, unless it is equipped with an approved type of current-limiting device for starting which will reduce the initial and incremental starting current inrush to a maximum of 100 amperes per step. Company shall be furnished with reasonable advance notice of any proposed central residential cooling installation.
 - (c) In the case of multi-motored devices arranged for sequential starting of the motors, the above rules are considered to apply to the locked-rotor currents of the individual motors; if arranged for simultaneous starting of the motors, the rules apply to the sum of the locked-rotor currents of all motors so started.
 - (d) Any motor or motors served through a separate meter will be billed as a separate customer.
8. No three-phase power service will be rendered under Residential Rate Schedule RS.

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Louisville, Kentucky**

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Large Commercial Time-of-Day Rate

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Deleted: The On-Peak Period shall be weekdays, 8:00 a.m. - 10:00 p.m., Eastern Standard Time, year round, throughout the Company's service territory. The Off-Peak Period shall consist of all other hours.¶

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 - (d) Any motor or motors served through a separate meter will be billed as a separate customer.
8. No three-phase power service will be rendered under Residential Rate Schedule RS.

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Deleted: Any residential customer or group of customers desiring To contract for three-phase service for power purposes will be required to advance the cost of extending such service to the premises at which desired and shall be billed for such service at Company's General Service Rate GS.†

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